

DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY

110 N. Main Street, Suite F
Camden, DE 19934

Minutes of December 12, 2017 Board Meeting

IN ATTENDANCE:

Authority:

Kevin Carroll
William Dunn
George Meldrum
Andy Strine
Elizabeth (Beth) McGinn

Dan Daly (Non-Voting Member)
Gregg Sutton (Executive Director)
Jane Sabo (DEHMRA Assistant)

Legal Counsel:

William Denman

Other Attendees:

Susan Hairgrove, St. Jones Landing
Jen Allen, First State Manufactured Housing Association
Robert Ray, Sandhill Acres
Bill Kinnick, DMHOA
Jill Fuchs, LLHC

I. Call to Order:

Mr. Carroll called the meeting to order at 1:31 p.m. A quorum was present.

II. Review and Approval of Minutes:

Mr. Carroll asked the Board if anyone had any comments or corrections to the October 24, 2017 meeting minutes, and if not, requested the Board to consider approval of the minutes. Ms. McGinn made a motion to approve the minutes. The motion was seconded by Mr. Meldrum. Mr. Dunn noted a grammatical error on page 5. He stated that a colon was missing from the 4:0:1 vote in the fourth line of the Executive Session paragraph. Mr. Sutton made this change to the October 24, 2017 minutes to the DEMHRA website. It should be 4:0:1 instead of 4:01. These changes were made to the October 24th minutes and will be reflected on the DEMHRA website. The Board approved October's meeting minutes, 5:0 with these necessary changes.

III. Executive Directors Report:

Mr. Sutton noted that since the last meeting, the following has been accomplished:

- We have selected two Compliance Investigators. One will have all of Northern Kent County and New Castle County and the other will have the area south of Cheswold to include Kent and all of Sussex County.
- We received a Right of First Offer letter from Josh Silcato of Pom Run, dated October 30, 2017. Tenants were notified that they have 30 days to form an HOA. None of the tenants has notified

DEMHRA within the 30 days to express an interest in purchasing the property. Therefore, Mr. Silcato is going to sell the property. Frederick Lodge, Murray Manor, and Park Place tenants also received Right of First Offer Letters. Of the three, only Murray Manor was sold. Updates on the other two will be provided at the Board Meetings going forward.

- A letter was received from Nicole Faries, Esquire of Attorney Michael Morton's office regarding Malone's Bayside Marina indicating they may not fall under Chapter 70 due to the type of homes and seasonal rentals. Ms. Faries was informed that this is the Board's decision based on the owner providing evidence that they are a seasonal park. She was informed that this could be presented at the December 12th Board Meeting. The information was not provided. Our Compliance Investigator was sent to Malone's Bayside Marina and his report will be discussed later.
- On December 8th of this year, the Chair and I had a telephone conference call with Ms. Marlena Gibson of the Delaware State Housing Authority to discuss the feasibility of a pilot Manufacturing Home office that would be available to respond to manufacturing housing concerns. The Chair will discuss this during his report in more detail.
- I received a call from a news reporter from the News Journal who was inquiring about the number of open dockets/arbitrations we had this year. He inquired specifically about Hometown Rehoboth Bay. He stated that he was told that we had two arbitrations for Rehoboth Bay and he asked about the arbitration process. I sent the reporter a copy of a power-point presentation I prepared for the manufactured housing workshop this past fall. I did not discuss any details or pending arbitrations with him.

IV. Chair's Report:

Mr. Carroll thanked everyone on the Board, the Authority and the public for another good year for continuing to do what we do here. He appreciates the professionalism of everyone involved. Mr. Carroll stated that Mr. Sutton touched on the discussion with Delaware State Housing Authority. He stated that the conversation centered around a pilot program that the Delaware State Housing Authority was exploring. It was the feasibility of setting up a non-regulatory body in the Housing office to answer questions on manufactured housing concerns. Ms. Gibson explained the intent of the pilot program but she could not say specifically where the funds would come from to support this program. Mr. Carroll noted that if the Board takes a position on legislation, it would be considered after the Board weighs in as a whole. Mr. Carroll further stated that that we don't have the authority legislatively, nor do we have the funds to support this initiative. That being said, he expressed some concerns about the introduction of new regulations into some areas because they could have some unintended consequences. He expressed the possibility of people viewing the Trust Fund as a pot-of- money, that can be taxed, that can grow this non-regulatory pot-of-revenue. He reiterated that the Trust Fund is not the public's money, but money belonging to tenants and to property owners. Mr. Carroll participated in the call for about 30 minutes and asked to see a preview of any reports that come up to be presented at the January Board Meeting. He made it clear that the Board positions are formed after public meetings. In this telephone conference call, Mr. Carroll also reminded Ms. Gibson of the limited role the Authority has in dealing with manufactured housing issues and concerns. He told her that it was the Attorney General's office that investigated specific complaints dealing with manufactured housing issues. All in all, he felt it was a very worthwhile, productive meeting. Mr. Carroll also spoke briefly on a recent News Journal article on manufactured housing, discussing Mr. Michael Morton's concerns on whether or not the Authority was commenting to the press on private matters related to arbitrations. Mr. Carroll noted, and assured Mr. Morton that nothing inappropriate was discussed and advised the Board that the final article in the News Journal never mentioned the Authority.

V. Financial Activity & Report

A. Approval of Financial Report

Mr. Sutton reviewed the financial report and Trust Fund expenditures for the months of September and October 2017. This report was presented for information purposes only so a vote was not required.

B. Approval of other Financial Matters:

Approval of Legal Counsel invoices

Mr. Sutton reviewed the invoices from Mr. Denman for October and November of 2017. Mr. Dunn made a motion to approve the legal counsel invoices which was seconded by Mr. Strine. The motion passed 5:0.

C. Approval of Arbitrator Invoices

There were no arbitrator invoices to approve.

A). Arbitration Matters

- 1. Docket # 9-2016 (December Corporation vs. Wild Meadows HOA)** Awaiting mediation results
- 2. Docket # 2-2017 (Terry Saunders vs. Donovan Smith)** Appealing rent increase in Superior Court

B). Compliance Matters

1. Appleby, Cloverleaf, Stage Village and Countryside appear to be the only MHPs that are not in compliance. They have been contacted on numerous occasions by telephone, emails, and letters, yet they are still delinquent in paying their assessments.
2. Mr. Denman was provided documentation to send to them in order to settle these delinquencies.

VII. Unfinished Business:

A. Arbitration fees for 2016-2017

No new fees.

B. Update on Phase 2 of the St. Jones Relocation Plan

Phase 2 is completed

C. Update on Lighthouse Cove Relocation Plan

Awaiting one application from the community owner requesting demolition assistance

VIII. New Business:

A. Application for Approval of Relocation Benefits (St Jones Landing)

Linda Dixon, 34 Riverview Drive, Magnolia, DE: Ms. Dixon applied for \$8,000.00 in relocation benefits. The Board reviewed her request based on the documents she provided. Mr. Dunn made a motion to approve the relocation benefit payment. The motion was seconded by Mr. Meldrum. The motion passed 4:0:1 with Mr. Strine abstaining.

Robert Perry, 17 Edgewater Drive, Magnolia, DE: Mr. Perry applied for \$8,000.00 in relocation benefits. The Board reviewed his request based on the documents provided. Mr. Dunn made a motion to approve. The motion was seconded by Ms. McGinn. The motion passed 4:0:1 with

Mr. Strine abstaining.

Barbara Williams, 21 Edgewater Drive, Magnolia, DE: Ms. Williams applied for \$8,000.00 in relocation benefits. The Board reviewed her request based on the documents she provided. Mr. Dunn made a motion to approve. The motion was seconded by Mr. Meldrum. The motion passed 4:0:1 with Mr. Strine abstaining.

Leroy Ridgeway, 39 Riverview Drive, Magnolia, DE: Mr. Ridgeway applied for \$8,000.00 in relocation benefits. The Board reviewed her request based on the documents provided. Mr. Meldrum made a motion to approve. The motion was seconded by Mr. Dunn. The motion passed 4:0:1 with Mr. Strine abstaining.

B. Policies and Procedures Draft for Website:

Mr. Sutton asked the Board to review the draft of the policies and procedures to vote on for the next meeting.

C. CPI-U Update:

Mr. Sutton advised the Board that the CPI-U was now 0.6% as of November 17, 2017 and it has been posted on the DEMHRA website.

D. Brief – St. Jones Landing Stipulation Order for Entry of Final Judgement

The Board was presented with a St. Jones Landing stipulation order for entry into final judgement as an information item only.

E. Compliance Investigator's Report for Malone's Bayside Marina. Mr. Sutton provided the Board with a report from the Compliance Investigator on the number and type of homes at Malone's Bayside Marina

F. FOIA Request from Fred Neil

The Board reviewed a FOIA request from Dover City Council Member Fred Neil. Mr. Sutton will be responding to Mr. Neil's request within 15 business days of the request.

G. Proposed House Bill 149

The Board was given a copy of a proposed HB 149. This proposed bill is an Act to amend Title 9 Title 25 and Title 30 and related to the collection of debts owed to a County or State from funds that would otherwise be paid to the Relocation Trust Fund. This was placed on the agenda for informational purposes only as it was still in its preliminary stages.

IX. Public Comments: Those present at the meeting were given an opportunity to make comments.

X. Executive Session: There were no items to discuss so the Board did not go into Executive Session.

XI. Next Meeting Date – Adjournment:

The Board set the next meeting date as January 23, 2017.

Ms. McGinn made a motion to adjourn the meeting. Mr. Meldrum seconded the motion. The motion passed 5:0. As there was nothing further to discuss, the Board adjourned at 2:27pm.

Respectfully submitted,

Gregg Sutton
Executive Director